

SAFE DRINKING WATER ACT9-67. Drinking Water State Revolving Fund Program

1. **AUTHORITY.** Pursuant to Sections 1419, 1420, and 1452 of the Safe Drinking Water Act, as amended, the authority to:
 - a. Approve amendments (or subsequent agreements) to initial capitalization grant agreements with States and Indian Tribes for drinking water infrastructure needs, as authorized by Section 1452.
 - b. Make determinations annually on a fiscal year basis to withhold a certain percentage of each capitalization grant, in accordance with Sections 1420(a), 1420(c), and 1452(a)(1)(G)(i), made to a State if it has not:
 1. Developed and implemented a program to ensure demonstration of technical, managerial, and financial capacity by new community and nontransient, noncommunity public water systems; and
 2. Developed and implemented a strategy to assist public water systems in acquiring and maintaining the technical, managerial, and financial capacity to comply with the Act.
 - c. Make determinations to withhold 20% of a State's capitalization grant in accordance with Section 1419(b) and Section 1452(a)(1)(G)(ii), if a State has not adopted and implemented a program for the certification of operators for community and nontransient, noncommunity public water systems that meets the requirements of guidelines published pursuant to Section 1419(a) or meets the requirements of Section 1419(c).
2. **TO WHOM DELEGATED.** Director, Water Division.
3. **LIMITATIONS.**
 - a. For concurrences under 1.a., the regional administrator shall obtain the concurrence of the director of the Office of Ground Water and Drinking Water for the following: 1452(a)(1)(G)(i), made to a State if it has not:
 1. In those cases where a state capitalization grant applicant requests an exception to cash draw procedures related to aggressive leveraging proposals or other cases which would involve the draw of cash at a more accelerated rate than specified in the DWSRF Guidelines or regulations;
 2. For approval of any capitalization grants where the DWSRF will be used to generate payments for state match bonds. However, this concurrence is not required if concurrence was given for such use on a previous capitalization grant and there are no changes to the structure of the program.
 - b. To achieve national consistency in withholding decisions under 1.b., the regional administrator or designee is to make withholding decisions, in accordance with the guidance published under Sections 1420(d)(4) and 1452(g)(3) and must seek concurrence from the assistant administrator for OW on:

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1. The decision on the first State new systems program submitted under Section 1420(a) in the region, and all decisions to withhold funds; and
 2. The decision on the first capacity development strategy submitted under Section 1420(c) in the region, and all decisions to withhold funds.
- c. To achieve national consistency in withholding decisions under 1.c., the regional administrator or designee is to make withholding decisions, in accordance with the guidance published under Sections 1419(a) and 1452(g)(3) and must seek concurrence from the assistant administrator for OW on:
1. The decision on the first State operator certification program submitted under Section 1419(b) in the region, and all decisions to withhold funds; and
 2. The decision on any State operator certification program submitted under Section 1419(c) (programs submitted as "equivalent") in the region, and all decisions to withhold funds;
- d. Withholdings under 1.b. and 1.c. do not apply to Indian Tribes.
- e. The authority to approve the initial grant agreement to each State and Indian Tribe is limited to the regional administrator and may not be redelegated.

4. REDELEGATION AUTHORITY.

- a. These authorities may be redelegated to the branch chief level, or equivalent, and no further.
- b. An official who redelegates an authority retains the right to exercise or withdraw the authority. Redelegated authority may be exercised by any official in the chain of command down to the official to whom it has been specifically redelegated.

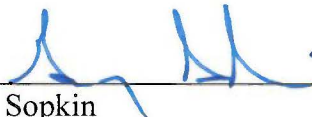
5. ADDITIONAL REFERENCES.

- a. 40 C.F.R. Parts 141, 142; 2 C.F.R. Part 1532.
- b. 40 C.F.R. Chapter 1, Subchapter B; 2 C.F.R. Parts 200 and 1500.
- c. Delegation 1-14-A, Assistance Agreements.
- d. EPA Order Series 5700.
- e. Federal Grant and Cooperative Agreement Act of 1977, P.L. No. 95-224, as amended, 31 U.S.C. §6301 et seq.
- f. EPA Guidance on Implementing the Capacity Development Provisions of the Safe Drinking Water Act Amendments of 1996.
- g. EPA Guidelines for the Certification and Recertification of the Operators of Community and Nontransient, Noncommunity Public Water Systems.


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- h. EPA DWSRF Program Guidelines and additional regulations and guidance for the Program.



Gregory Sopkin
Regional Administrator



Date